

To: Audit Committee
Date: November 18, 2021
Re: Wheatland-Chili Central School District

Extraclassroom Corrective Action Plan – 2020-21 262001

District Response to External Auditors' Internal Control Related Matters issued by Raymond F. Wager, CPA, P.C.:

Prior Year Deficiencies Pending Corrective Action:

Reconciliations-

1. Audit Recommendation:

Our examination revealed a significant improvement in reconciling cash collected to items sold. However, not all clubs are reconciling sales to total cash collected.

In an effort to improve internal accounting control, a reconciliation of items sold to total cash collected should be prepared for receipts submitted to the Central Treasurer for deposit.

2. Implementation Plan of Action(s):

Donna had a discussion with the Advisor for the Elementary Bookstore and worked together to create a spreadsheet to reconcile items sold to cash collected that would be turned in with each deposit.

3. Implementation Date:

The implementation will occur for the duration of the 2021-22 school year

4. Person Responsible for Implementation:

The Central Treasurer is responsible for the implementation.

Current Year Deficiencies in Internal Control:

Receipts-

1. Audit Recommendation:

During our receipts examination, we noted one instance in the Drama Club where receipts were deposited into the bank several days (30) after the cash was received.

In an effort to safeguard cash, we recommend all receipts be submitted to the Central Treasurer for deposit on a timely basis.

2. Implementation Plan of Action(s):

Moving forward the Central Treasurer will discuss with the advisors that timely deposits are needed to ensure accurate accounting and to ensure no payments are lost. In September the district held the annual extra-class advisor training where there was a review of all the policies and procedures for extraclass advisors, which included the training regarding timely deposits. The district also held a make-up session in November for anyone who couldn't attend the first training. The Central Treasurer will monitor each deposit that is made going forward and address any issue of untimeliness with the advisor at the time the cash deposit is turned in.

3. Implementation Date:

The implementation will occur for the duration of the 2021-22 school year.

4. Person Responsible for Implementation:

The Central Treasurer is responsible for the implementation.

Other Item:

The following item is not considered to be a deficiency in internal control; however, we consider it another item which we would like to communicate to you as follows:

Inactive Clubs-

1. Audit Recommendation:

As indicated on the statement of cash receipts and disbursements, the Art Club, the Bookstore-Middle School Club, the FBLA Club, the Interact Club, the Leadership Assets Training Club, the National Honor Society, the SADD Club, and the Student Council-Elementary were financially inactive during the 2020-21 fiscal year.

We recommend the status of this club be reviewed. If future financial transactions are not anticipated, they should be closed in accordance with the Board of Education policy.

2. Implementation Plan of Action(s):

All the clubs listed above have been holding meetings and intend to have financial activity, with the exception of the Middle School Bookstore. No students attended the first meeting this year, so the Bookstore did not open. They do intend to have financial activity and participation in the future. The Covid-19 pandemic has continued to restrict

many clubs from performing in their typical manor. The clubs have been trying to participate in as many events as possible while continuing to be safe.

3. Implementation Date:

We will monitor the clubs throughout the 2021-22 school year for activity and make a determination for the course of action at the end of the year.

4. Person responsible for Implementation:

The District Treasurer and Central Treasurer are responsible for this implementation.

Prior –Year Recommendations:

We are pleased to report that the following prior year recommendations have been implemented to our satisfaction:

1. All receipts from fundraisers which were examined were deposited intact.